

LAKE COUNTY AIR QUALITY MANAGEMENT DISTRICT

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Douglas G. Gearhart
Air Pollution Control Officer
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-MEMORANDUM-

To: Mary D. Nichols and Board Members
California Air Resources Board

DATE: April 24, 2014

FROM: Douglas Gearhart, Air Pollution Control Officer

SUBJECT: Comments on Agenda Item 14-3-2, Public Hearing to Consider Proposed Amendments to the Regulation to Reduce Emissions of Diesel Particulate Matter, Oxides of Nitrogen and Other Criteria Pollutants from In-Use Heavy Duty Diesel-Fueled Vehicles

Thank you for having us here today to speak to you regarding our communities concerns about the Truck and Bus Rule. The Lake County Board of Supervisors as the Lake County Air Quality Management District Board of Directors have serious concerns about the impact of this regulation on our local community and lack of consideration for Lake County's 23 years of Attainment Designation as you have seen in September 10, 2013 letter and the letter you are receiving today.

The Lake County Board is concerned about public health and safety as well as the economic impacts of this regulation. We are very supportive of the efforts of CARB staff to work on solutions for rural attainment fleets that will have no affect on the severe non-attainment areas of the State and who do not compete for work with fleets operating in those areas. But, we are concerned about the unfair business advantage that all fleets outside of Lake County have. That advantage is access to AB2766 and AB923 funds, as well as other grant opportunities for non-attainment areas. Being a full Attainment area, for all State and Federal Air Quality Standards, Lake County is precluded from many funding sources and is assigned a low priority for most other funding sources. Why? Because the incentive funds are dedicated to areas with severe air quality problems and areas where emissions reductions are essential to reducing health risks, which is not a bad use of those funds. But when a regulation is put in place for those severe non-attainment areas that does not recognize the differences and the challenges of a full attainment Air Basin and the lack of funding opportunities the lack of available funds is a problem. Fleets currently feel they are being penalized for choosing to live and work in a full attainment air basin, and we agree. This 'penalty' has been discussed for years, but has never been resolved as CARB's priority has always been on the non-attainment areas.

You have heard about our Attainment Status, and the support of our local operators to reach that goal. The business incentive for cooperation in reaching and maintaining our attainment status has always been we will be treated differently, there will be flexibility, CARB will take into consideration our unique status when they implement statewide regulations. But this rule doesn't provide the flexibility that is necessary for an attainment Air Basin, and has raised many questions: "What is the incentive for businesses to help maintain our clean air?" and "Why don't we go non-attainment for a year and open the funding doors?" This is not a solution or a path that should ever be considered, but we hear it from operators who have been supportive for years.

We support CARB staffs suggested options, but we still are requesting additional consideration for full attainment areas or full attainment air basins. We are happy to work with CARB staff to determine the most appropriate and cost effective options for captive Full Attainment Area fleets, whether that is 2010 compliant trucks by 2025 or CARB finding additional funding to eliminate the attainment penalty in Full Attainment Air Basins or a combination of both to meet the long term goals of this regulation. The Air District is willing to consider additional monitoring to determine the actual health risk in Lake County from diesel PM near roads. CARB staff is reviewing a monitor right now that if approved could be put in place quickly.

In a non-attainment area or for fleets that operate in those areas, this rule makes sense. But consideration has to be given to Lake County and the captive attainment fleets that operate exclusively in Lake County, do not have access to compliance assistance funds, and do not compete for work in non-attainment areas.

Thank you for your time and consideration of our concern for Lake County's captive attainment fleets.



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Mary D. Nichols, Chairman
California Air Resources Board
P.O. Box 2815
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April 22, 2014

Subject: Regulation to Reduce Emissions of Diesel Particulate Matter, Oxides of Nitrogen and Other Criteria Pollutants from In-Use On-Road Diesel Fueled Vehicles

Dear Chairman Nichols:

I am writing this letter to you on behalf of the Lake County Air Quality Management District Board of Directors in response to your letter dated November 21, 2013, concerning the Regulation to Reduce Emissions of Diesel Particulate Matter, Oxides of Nitrogen and Other Criteria Pollutants from In-Use On-Road Diesel-Fueled Vehicles.

The LCAQMD Board of Directors appreciates the efforts to assist rural fleets in complying with this onerous regulation. Nevertheless, we feel the efforts do not go far enough and fail to recognize the Clean Air Attainment status achieved by Lake County for the past 24 years. We are concerned about the exposure of our citizenry to toxic substances, but we believe the exposure along major roadways with high truck traffic is not a significant issue in Lake County. According to the latest traffic counts by CalTrans, the highest traffic volume in Lake County is 16,100 vehicles per day at Lakeport Blvd., in Lakeport. This location is less than 100 meters from the Lakeport monitoring station where our annual average PM 2.5 levels are lowest in the nation. The maximum peak hourly traffic for any Caltrans locations in Lake County is only 1,460 vehicles per hour or 24.3 vehicles per minute.

These traffic counts do not take into account vehicle type. Based on general observations in the highest traffic volume areas, less than 10% of vehicles are heavy duty trucks or buses and estimates indicate that less than 1% of vehicles during the highest traffic periods (commute hours) are heavy duty trucks or buses. Of the heavy duty vehicles operating in Lake County, more than half are traveling to and from nonattainment areas and require upgrade. The number of local trucks that are captive fleets within Lake County and attainment areas are few. Providing an extension and/or exemption for Lake County captive attainment fleets would not result in significant emissions nor health risk, but would result in significant benefit to our local community.

In your letter dated November 21, 2013, you state that trucks operated in attainment areas can comply with delayed Particulate Matter filter requirements and are not required to make additional upgrades to equipment with a filter, but many of the captive Lake County trucks cannot be retrofitted due to the equipment configuration, the limited duty cycles, or results of equipment data logging do not meet the required specifications for installation of a certified filter. Thus, many of our local trucks must be replaced to comply with this rule.

You also stated that ARB sought and received funding for fleets throughout the State, but access to these funds is very limited in Lake County. Carl Moyer Program funds are the most available funds for use, but options to assist trucks are extremely limited, even when the reductions are cost effective and in excess of what is required by the Truck and Bus Rule. CARB staff cut off funding opportunities for trucks in Lake County immediately upon ARB's passage of the Truck and Bus Rule even though many trucks still had 3 years until their first compliance deadline.

Some operators have used the Voucher Incentive Program, but the grant funds of \$35,000 to \$45,000 toward a \$150,000+ truck makes this program unfeasible for the captive Lake County fleets. The Proposition 1B funds, helped cleanup School Buses in Lake County but, the funds are not available for captive fleets in Lake County, as we are outside the 'trade' corridors. The Air Quality Improvement Program that offsets the costs of going to zero emissions fleets and hybrid fleets, does not take into account the limits placed on electrical use by PG&E due to infrastructure issues and the terrain or equipment type challenges in Lake County. Major areas of Lake County do not have line power at all. Some recent stationary sources that upgraded to line power from generators had to wait nearly 3 years to get the upgraded infrastructure from PG&E. Finally, the Loan Assistance program has very limited availability for captive Lake County Fleets, as the owner/operator must must have a small fleet and qualify for the loan in a challenged economy.

You indicate that this Board should assist local fleets by implementing DMV fees under AB923, as has been done in Mendocino, Colusa, and Feather River among others. This is a valuable option available to every Air District in the State, except for the Lake County Air Quality Management District. Surely you are aware that Lake County has been designated Attainment with all State and Federal Ambient Air Quality Standards since 1990. AB923 continues the authorization for air quality management districts which have been designated by the State Board as a state nonattainment areas for any pollutant emitted by motor vehicles to implement a vehicle license fee. Lake County has never been designated non-attainment for any vehicle pollutant since AB2766, the original authorizing legislation, was signed into law by the Governor on September 30, 1990 so, we are precluded from

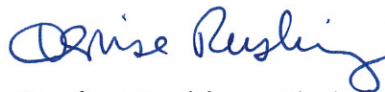
implementation of the fees authorized under AB923. It is disappointing to learn that CARB believes we are authorized to implement these fees, and are only now requesting assistance because we didn't implement the DMV fees under AB2766 and AB923.

Evidently, this is not the case, and the result of this restriction is that truck owners and operators in the only Full Attainment Air District and Air Basin in the State of California are penalized for their commitment to keeping Lake County's air clean.

Our position is that captive Lake County fleets should be exempt from the immediate and near term upgrade / retrofit requirements, and/or appropriate funds should be provided to Lake County to offset the compliance costs of this regulation. These funds could be used to offset the share costs for Carl Moyer Program funds or Voucher Incentive Program Funds.

To reiterate our previous position, our community deserves to have the benefits of our local operators upgrading to new trucks. However, we cannot support a regulation that would shut down these operators because they cannot afford to comply with a rule needed for the nonattainment areas of the State. Local operators are already suffering from the unfair business advantage that outside operators gain through better access to grant funds for new vehicles. These Lake County Captive Fleets, who support our clean air efforts, need to be acknowledged for their commitment to clean air efforts in Lake County, and provided additional time and money to come into compliance. We request your consideration to assist these fleets and provide them opportunity and funding to install upgrade their existing trucks or replace their trucks with 2010 compliant trucks.

Sincerely,

A handwritten signature in blue ink that reads "Denise Rushing". The signature is fluid and cursive, with the first name "Denise" and last name "Rushing" clearly legible.

Denise Rushing, Chairman
Lake County AQMD Board of Directors

CC: Governor Jerry Brown
Senator Noreen Evans
Assemblywoman Mariko Yamada
Richard Corey, Executive Officer, CARB
Board Members, California Air Resources Board
La Ronda Bowen, ARB Ombudsman
Douglas Gearhart, LCAQMD APCO

